BMW GROUP.

KEY ASPECTS OF CORPORATE GOVERNANCE.
BMW AG – PARENT COMPANY OF BMW GROUP. SHAREHOLDER STRUCTURE, BOARD OF MANAGEMENT AND SUPERVISORY BOARD.

**Shareholder Structure**

- **Number of Shares Outstanding**
  - Ordinary Shares: 601,995,196
  - Preference Shares: 57,689,304
  - Total Shares: 659,684,500

- **Current Voting Rights Distribution**
  - Stefan Quandt (direct and indirect holdings): 25.8%
  - Susanne Klatten (direct and indirect holdings): 20.9%
  - BlackRock, Inc.: 3.1%
  - Other: 50.2%

**Board of Management**

- **Chairman:** Oliver Zipse
- **Human Resources:** Ilka Horstmeier
- **Production:** Dr. Milan Nedeljkočić
- **Customer, Brands, Sales:** Pieter Nota
- **Finance:** Dr. Nicolas Peter
- **Development:** Frank Weber
- **Purchasing and Supplier Network:** Dr. Andreas Wendt

**Supervisory Board**

- **Chairman:** Dr.-Ing. Norbert Reithofer
- **Deputy Chairman:** Manfred Schoch **
  - Stefan Quandt
  - Stefan Schmid **
  - Dr. Kurt Bock
- **Other Members:**
  - Christiane Benner **
  - Dr. Marc Bitzer
  - Verena zu Dohna **
  - Rachel Empey
  - Dr.-Ing. Heinrich Hiesinger
  - Johann Horn **
  - Susanne Klatten
  - Jens Köhler **
  - Dr. Dominique Mohabeer **
  - Brigitte Rödig **
  - Anke Schäferkordt
  - Prof. Dr. Christoph Schmidt
  - Dr. Vishal Sikka
  - Dr. Thomas Wittig **
  - Werner Zierer **

*Employee Representatives*

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*as of June 2021.*
BMW AG – 2-TIER GOVERNANCE SYSTEM.

**Board of Management**

- **Tasks**
  - Responsible for managing and steering the company.
  - Determines the strategic orientation of the company, agrees upon it with the Supervisory Board and ensures its implementation.
  - Responsible for ensuring that all provisions of law and international regulations are complied with and an appropriate risk management and risk controlling system is in place.
  - Represents company in dealings with third parties.
  - Regular reporting to the Supervisory Board.

Composition of 7 members:

1. **Oliver Zipse**  
   CEO
2. Ilka Horstmeier
3. Dr. Milan Nedeljković
4. Pieter Nota
5. Dr. Nicolas Peter
6. Frank Weber
7. Dr. Andreas Wendt

- Appointed for periods between 3 to 5 years.

**Supervisory Board**

- **Tasks**
  - Appoints the Members of the Board of Management.
  - Monitors and advises the Board of Management.
  - Decides on remuneration system and level of the Board of Management.
  - Provides approval for certain major business proceedings.

**Composition in line with German Co-Determination Act:**

- Chairman: Dr.-Ing. Norbert Reithofer

- 10 shareholder representatives elected by AGM.
- 10 employee representatives elected by employees of BMW AG and other Group companies based in Germany.

- Regular length of appointment 5 years, for shareholder representatives voluntary limitation to 4 years.
- Next shareholder representatives elections at AGM in 2022.
BMW AG - BOARD OF MANAGEMENT.

Oliver Zipse
Chairman of the Board of Management
(since 05/2015 Member of the Board of Management; since 08/2019 Chairman)

Ilka Horstmeier
Human Resources
(since 11/2019 Member of the Board of Management)

Dr. Milan Nedeljković
Production
(since 10/2019 Member of the Board of Management)

Pieter Nota
Customer, Brands, Sales
(since 01/2018 Member of the Board of Management)

Dr. Nicolas Peter
Finance
(since 01/2017 Member of the Board of Management)

Frank Weber
Development
(since 07/2020 Member of the Board of Management)

Dr. Andreas Wendt
Purchasing and Supplier Network
(since 10/2018 Member of the Board of Management)
BMW AG SUPERVISORY BOARD - SHAREHOLDER REPRESENTATIVES.

WELL BALANCED STRUCTURE.

**Age**
- <55: 20%
- >55 and <65: 70%
- 65+: 10%

**Nationality**
- German: 70%
- Non-German: 30% (incl. dual citizenships (German and other))

**Gender**
- Male: 70%
- Female: 30%

**Term of Office**
- >5 years and <12 years: 10%
- >12 years: 20%
- <5 years: 70%

**Professional Experience**

- **Type of Work**
  - Previous Member of the Executive Board of a non-listed company: 1
  - Entrepreneur or Founder: 3
  - Academia: 1
  - Current or previous Member of the Executive Board of a listed company: 6

- **Previous working experience abroad**
  - Outside Europe: 5
  - Europe (w/o Germany): 4

* as of July 2021

**Non-German**
- * incl. dual citizenships (German and other)

**German**
- 30%

**Female**
- 30%

**Male**
- 70%

**Outsi de Europe**
- 5

**Europe (w/o Germany)**
- 4
### Supervisory Board - Current Competence Profile

#### Shareholder Representatives

<table>
<thead>
<tr>
<th>Name</th>
<th>Competence</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dr. Ing. Norbert Reithofer</td>
<td>Mobility, Technology, Customer Needs</td>
</tr>
<tr>
<td>Stefan Quandt</td>
<td>Energy Supply, Digital Security, Logistics</td>
</tr>
<tr>
<td>Dr. Kurt Bock</td>
<td>Chemistry, IT, Sustainability, Capital Market</td>
</tr>
<tr>
<td>Dr. Marc Bitzer</td>
<td>Technology, Customer Needs, Supply Chain, Capital Markets</td>
</tr>
<tr>
<td>Rachel Empey</td>
<td>Mobility, Customer Needs, Capital Market, IT</td>
</tr>
<tr>
<td>Dr. Ing. Heinrich Hiesinger</td>
<td>Mobility, Digitalisation, Compliance, Technology, Sustainability</td>
</tr>
<tr>
<td>Susanne Klatten</td>
<td>Future Technologies, Chemistry, Human Resources</td>
</tr>
<tr>
<td>Anke Schäferkordt</td>
<td>Communications, Media</td>
</tr>
<tr>
<td>Prof. Dr. Christoph Schmidt</td>
<td>Science, Sustainability, Resources, Human Resources</td>
</tr>
<tr>
<td>Dr. Vishal Sikka</td>
<td>Digitisation, Art. Intelligence, IT, Business Transformation</td>
</tr>
</tbody>
</table>

#### Employee Representatives

<table>
<thead>
<tr>
<th>Name</th>
<th>Competence</th>
</tr>
</thead>
<tbody>
<tr>
<td>Manfred Schoch</td>
<td>Mobility, Human Resources, Customer Needs</td>
</tr>
<tr>
<td>Stefan Schmid</td>
<td>Mobility, Human Resources, Chemistry</td>
</tr>
<tr>
<td>Christiane Benner</td>
<td>Mobility, Digitalisation, Change Management</td>
</tr>
<tr>
<td>Verena zu Dohna</td>
<td>Mobility, Human Resources, Compliance</td>
</tr>
<tr>
<td>Johanna Höhn</td>
<td>Mobility, Human Resources</td>
</tr>
<tr>
<td>Jens Köhler</td>
<td>Mobility, Human Resources</td>
</tr>
<tr>
<td>Dr. Dominique Mohabeyer</td>
<td>Digitisation, IT, Human Resources</td>
</tr>
<tr>
<td>Brigitte Rödig</td>
<td>Mobility, Human Resources</td>
</tr>
<tr>
<td>Dr. Thomas Wittig</td>
<td>Financial Services</td>
</tr>
<tr>
<td>Werner Zierer</td>
<td>Mobility, Human Resources</td>
</tr>
</tbody>
</table>
BMW AG – PRESIDING BOARD AND SUPERVISORY BOARD COMMITTEES.

Presiding Board (Präsidium)
- Dr.-Ing. Norbert Reithofer, Chairman
- Manfred Schoch
- Stefan Quandt
- Stefan Schmid
- Dr. Kurt Bock

Personnel Committee (Personalausschuss)
- Dr.-Ing. Norbert Reithofer, Chairman
- Manfred Schoch
- Stefan Quandt
- Stefan Schmid
- Dr. Kurt Bock, Financial Expert (Accounting)

Audit Committee (Prüfungsausschuss)
- Dr.-Ing. Norbert Reithofer, Financial Expert (Annual Audit)
- Manfred Schoch
- Stefan Quandt
- Dr. Kurt Bock
- Stefan Schmid

Nomination Committee (Nominierungsausschuss)
- Dr.-Ing. Norbert Reithofer, Chairman
- Susanne Klatten
- Stefan Quandt
- Manfred Schoch

Mediation Committee (Vermittlungsausschuss)
- Dr.-Ing. Norbert Reithofer, Chairman
- Manfred Schoch
- Stefan Quandt
- Stefan Schmid

Employee Representative
- Dr. -Ing. Norbert Reithofer, Chairman
- Dr. Kurt Bock
- Stefan Schmid
BMW AG - SUPERVISORY BOARD.
STAGGERED TERMS FOR SHAREHOLDER REPRESENTATIVES.

<table>
<thead>
<tr>
<th>Name</th>
<th>Term of Office</th>
<th>Expiring Mandates</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dr.-Ing. Norbert Reithofer</td>
<td>since 2015 (6y)</td>
<td>AGM 2022 (1)</td>
</tr>
<tr>
<td>Dr. Marc Bitzer</td>
<td>since 2021 (&lt;1y)</td>
<td>AGM 2023 (1)</td>
</tr>
<tr>
<td>Dr. Kurt Bock</td>
<td>since 2018 (3y)</td>
<td>AGM 2024 (3)</td>
</tr>
<tr>
<td>Rachel Empey</td>
<td>since 2021 (&lt;1y)</td>
<td>AGM 2025 (2)</td>
</tr>
<tr>
<td>Dr.-Ing. Heinrich Hiesinger</td>
<td>since 2017 (4y)</td>
<td></td>
</tr>
<tr>
<td>Susanne Klatten</td>
<td>since 1997 (&gt;12y)</td>
<td></td>
</tr>
<tr>
<td>Stefan Quandt</td>
<td>since 1997 (&gt;12y)</td>
<td></td>
</tr>
<tr>
<td>Anke Schäferkordt</td>
<td>since 2020 (1y)</td>
<td></td>
</tr>
<tr>
<td>Prof. Dr. Christoph Schmidt</td>
<td>since 2021 (&lt;1y)</td>
<td></td>
</tr>
<tr>
<td>Dr. Vishal Sikka</td>
<td>since 2019 (2y)</td>
<td></td>
</tr>
</tbody>
</table>

(1) General (2) Board of Management (3) Supervisory Board (4) Remuneration
BMW AG - SUPERVISORY BOARD.
STAGGERED TERMS FOR SHAREHOLDER REPRESENTATIVES.

Expiring Mandates in

- **2022**: Dr.-Ing. Heinrich Hiesinger, Susanne Klatten, Stefan Quandt, Dr. Vishal Sikka
- **2023**: Dr. Kurt Bock
- **2024**: Dr. Marc Bitzer, Anke Schäferkordt
- **2025**: Dr.-Ing. Norbert Reithofer, Rachel Empey, Prof. Dr. Christoph Schmidt
### Attendance at Supervisory Board and Committee meetings of BMW AG in 2020.

<table>
<thead>
<tr>
<th>Supervisory Board Member</th>
<th>Meetings</th>
<th>Participation</th>
<th>Attendance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dr.-Ing. Norbert Reithofer</td>
<td>29</td>
<td>29</td>
<td>100%</td>
</tr>
<tr>
<td>Manfred Schoch</td>
<td>27</td>
<td>27</td>
<td>100%</td>
</tr>
<tr>
<td>Stefan Quandt</td>
<td>29</td>
<td>29</td>
<td>100%</td>
</tr>
<tr>
<td>Stefan Schmid</td>
<td>27</td>
<td>27</td>
<td>100%</td>
</tr>
<tr>
<td>Dr. Karl-Ludwig Kley</td>
<td>24</td>
<td>24</td>
<td>100%</td>
</tr>
<tr>
<td>Christiane Benner</td>
<td>5</td>
<td>5</td>
<td>100%</td>
</tr>
<tr>
<td>Dr. Kurt Bock</td>
<td>10</td>
<td>10</td>
<td>100%</td>
</tr>
<tr>
<td>Verena zu Dohna</td>
<td>5</td>
<td>5</td>
<td>100%</td>
</tr>
<tr>
<td>Dr.-Ing. Heinrich Hiesinger</td>
<td>5</td>
<td>5</td>
<td>100%</td>
</tr>
<tr>
<td>Prof. Dr. Reinhard Hüttl¹</td>
<td>5</td>
<td>5</td>
<td>100%</td>
</tr>
<tr>
<td>Susanne Klatten</td>
<td>7</td>
<td>7</td>
<td>100%</td>
</tr>
<tr>
<td>Prof. Dr. Renate Köcher²</td>
<td>1</td>
<td>1</td>
<td>100%</td>
</tr>
<tr>
<td>Horst Lischka</td>
<td>5</td>
<td>5</td>
<td>100%</td>
</tr>
<tr>
<td>Willibald Löw³</td>
<td>5</td>
<td>5</td>
<td>100%</td>
</tr>
<tr>
<td>Simone Menne³</td>
<td>5</td>
<td>5</td>
<td>100%</td>
</tr>
<tr>
<td>Dr. Dominique Mohabeer</td>
<td>5</td>
<td>5</td>
<td>100%</td>
</tr>
<tr>
<td>Brigitte Rödig</td>
<td>5</td>
<td>5</td>
<td>100%</td>
</tr>
<tr>
<td>Anke Schäfferkordt</td>
<td>4</td>
<td>4</td>
<td>100%</td>
</tr>
<tr>
<td>Dr. Vishal Sikka</td>
<td>5</td>
<td>4</td>
<td>80%</td>
</tr>
<tr>
<td>Dr. Thomas Wittig</td>
<td>5</td>
<td>5</td>
<td>100%</td>
</tr>
<tr>
<td>Werner Zierer</td>
<td>5</td>
<td>5</td>
<td>100%</td>
</tr>
</tbody>
</table>

Total Attendance: 99%

**Notes:**
- ¹ Member of the Supervisory Board since 15 May 2020
- ² Member of the Supervisory Board until 15 May 2020
- ³ Member of the Supervisory Board until 12 May 2021
- ⁴ Member of the Supervisory Board until 16 July 2021
REMUNERATION SYSTEM FOR THE BOARD OF MANAGEMENT EFFECTIVE JANUARY 2021.  

(1) OVERVIEW OF COMPENSATION COMPONENTS.

<table>
<thead>
<tr>
<th>Component</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Base salary</td>
<td>~27%</td>
</tr>
<tr>
<td>Bonus</td>
<td>~30%</td>
</tr>
<tr>
<td>Share-based remuneration</td>
<td>~33%</td>
</tr>
<tr>
<td>Pension plan</td>
<td>~10%</td>
</tr>
<tr>
<td>Fringe benefits</td>
<td>~1%</td>
</tr>
</tbody>
</table>

**Fixed remuneration**

**Financial goals**
- Target achievement 0 – 180%
  - Financial goals
  - Non-financial goals

**Share-based remuneration**
- RoCE (Automotive Segment)
- At least 2 strategic focus targets.
  - Target achievement 0 – 180%

**General aspects**
- **Maximum remuneration** (€ 9.85m; € 5.5m, respectively € 4.925m²).
- **ESG criteria** as a part of the performance criteria.
- **Peer group comparison** within selected targets.
- **Clawback and Malus clauses** related to variable compensation.

---

1) Schematic representation of the proportions based on the target remuneration for the Chairman of the Board of Management for financial year 2021 as an example.
2) Chairman of the Board of Management, Member of the Board of Management in the 2nd period of office or 4th year of mandate, and Member of the Board of Management in 1st period of office.
3) Pension contribution.
4) Due to roundings, percentage values may not add up to 100%.
5) Return on Capital Employed. A description can be found in the annual report, chapter „management system”, pg. 51.
REMUNERATION SYSTEM FOR BOARD OF MANAGEMENT.

(2) BONUS DETAILS.

**Earnings Component Bonus - „Financial Goals“**

- **Target value:** 50%
- **Earnings factor** (max. 1.800)
- **Basis:**
  1. Profit attributable to shareholders of BMW AG.
  2. Group post-tax return on sales (in %).
- **Performance period:** 1 year

**Performance Component - „Non-Financial Goals“**

- **Target value:** 50%
- **Performance factor** (max. 1.80)
- **Weighting**
  - **Divisional Targets:** 10%
  - **Cross-divisional Targets:** 90%
- **Criteria:**
  1. Individual performance of each Board member in managing the department and progress in diversity
  2. Innovation performance (ecological)
  3. Reputation (corporate reputation, compliance prevention)
  4. Ability to adapt (investments in training and education, sustainability)
  5. Attractiveness as an employer
  6. Leadership (employee satisfaction)
  7. Market position
  8. Innovation performance (economic)
  9. Customer focus (product and customer service quality)
  10. Reputation (e.g. brand strength)
- **Performance period:** 1 year; trend evaluation over 3 years

---

1) Within the target structure.
2) Criteria from the areas of environment, social and responsible corporate governance (ESG).
REMUNERATION SYSTEM FOR BOARD OF MANAGEMENT.

(3) SHARE-BASED REMUNERATION DETAILS.

**Base salary**

**Bonus**

**Share-based remuneration**

**Pension plan**

**Fringe benefits**

---

**Share Ownership Guideline**

(1) Following Strategic Focus Targets have been set for the year 2021:

1. Reduction of CO₂-fleet emissions in Europe and
2. Global sales accounted for by plug-in hybrid vehicles (PHEVs) and battery electric vehicles (BEVs).

(2) 1 year for the determination of the Personal investment cash amount and 4 years holding period, even if Board member leaves office (including retirement).
### Remuneration Overview for 2020 (2019).

<table>
<thead>
<tr>
<th>Compensation structure: ¹</th>
<th>Fixed</th>
<th>Variable Remuneration ²</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Each member</strong></td>
<td>200,000 €</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Chairman</strong></td>
<td>600,000 €</td>
<td>3x base remuneration</td>
<td></td>
</tr>
<tr>
<td><strong>Deputy Chairman</strong></td>
<td>400,000 €</td>
<td>2x base remuneration</td>
<td></td>
</tr>
<tr>
<td><strong>Chairman of Committee</strong></td>
<td>400,000 €</td>
<td>2x base remuneration</td>
<td></td>
</tr>
<tr>
<td><strong>Member of Committee</strong></td>
<td>300,000 €</td>
<td>1,5x base remuneration</td>
<td></td>
</tr>
<tr>
<td><strong>Chairman of Audit Committee</strong></td>
<td>450,000 €</td>
<td>2,25x base remuneration</td>
<td></td>
</tr>
<tr>
<td><strong>Member of Audit Committee</strong></td>
<td>400,000 €</td>
<td>2x base remuneration</td>
<td></td>
</tr>
<tr>
<td><strong>Attendance Fee</strong></td>
<td>2,000 €</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Remuneration System for the Supervisory Board.**

- The AGM in May 2020 approved new remuneration system for the Supervisory Board as of January 2020.
- Elimination of the variable remuneration component in line with the recommendation of the German Corporate Governance Codex.

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1. In line with the guidelines of the Deutscher Gewerkschaftsbund, these employee representatives have requested that their remuneration be paid into the Hans Böckler-Stiftung.
2. Chairman of the Audit Committee until 15 May 2020.
3. Chairman of the Audit Committee since 14 May 2020.
4. Due to the requirements of his employer, Prof. Dr. Hüttl has waived his Supervisory Board remuneration until further notice, to the extent that this would exceed the amount of € 200,000 p. a.
5. Member of the Supervisory Board until 14 May 2020.
6. Member of the Supervisory Board since 14 May 2020.
7. Member of the Supervisory Board until 12 May 2021.
8. Member of the Supervisory Board until 16 July 2021.
9. Figures for the previous year include the remuneration of members of the Supervisory Board who left office during the financial year 2019.
10. Earnings-related remuneration for the financial year 2019 was capped at the maximum amount.

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### Remuneration System for the Supervisory Board.

<table>
<thead>
<tr>
<th>Member</th>
<th>Fixed</th>
<th>Variable Remuneration</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dr.-Ing. Norbert Reithofer (Chairman)</td>
<td>600 (210)</td>
<td>10 (430)</td>
<td>610 (640)</td>
</tr>
<tr>
<td>Manfred Schoch (Dep. Chairman)³</td>
<td>400 (210)</td>
<td>10 (290)</td>
<td>410 (430)</td>
</tr>
<tr>
<td>Stefan Quandt (Dep. Chairman)⁴</td>
<td>400 (140)</td>
<td>10 (290)</td>
<td>410 (430)</td>
</tr>
<tr>
<td>Stefan Schmid (Dep. Chairman)¹⁵</td>
<td>400 (140)</td>
<td>10 (290)</td>
<td>410 (430)</td>
</tr>
<tr>
<td>Dr. Karl-Ludwig Kley (Dep. Chairman)²⁷</td>
<td>419 (140)</td>
<td>10 (288)</td>
<td>429 (428)</td>
</tr>
<tr>
<td>Dr. Kurt Bock (Audit Comm. Chairman)⁰²</td>
<td>358 (70)</td>
<td>10 (150)</td>
<td>368 (220)</td>
</tr>
<tr>
<td>Christiane Brenner⁴</td>
<td>200 (70)</td>
<td>10 (150)</td>
<td>210 (220)</td>
</tr>
<tr>
<td>Verena zu Dohna³</td>
<td>200 (44)</td>
<td>10 (96)</td>
<td>210 (140)</td>
</tr>
<tr>
<td>Dr.-Ing. Heinrich Hiesinger</td>
<td>200 (70)</td>
<td>10 (150)</td>
<td>210 (220)</td>
</tr>
<tr>
<td>Prof. Dr. Reinhard Hüttl²⁵</td>
<td>190 (70)</td>
<td>10 (130)</td>
<td>200 (200)</td>
</tr>
<tr>
<td>Susanne Klatten</td>
<td>200 (70)</td>
<td>10 (150)</td>
<td>210 (220)</td>
</tr>
<tr>
<td>Prof. Dr. Renate Köcher⁶</td>
<td>74 (70)</td>
<td>2 (150)</td>
<td>76 (220)</td>
</tr>
<tr>
<td>Horst Lischka¹</td>
<td>200 (70)</td>
<td>10 (150)</td>
<td>210 (220)</td>
</tr>
<tr>
<td>Willibald Löw⁷</td>
<td>200 (70)</td>
<td>10 (150)</td>
<td>210 (220)</td>
</tr>
<tr>
<td>Simone Menne²</td>
<td>200 (70)</td>
<td>10 (150)</td>
<td>210 (220)</td>
</tr>
<tr>
<td>Dr. Dominique Mohabeer¹</td>
<td>200 (70)</td>
<td>10 (150)</td>
<td>210 (220)</td>
</tr>
<tr>
<td>Brigitte Rödig¹</td>
<td>200 (70)</td>
<td>10 (150)</td>
<td>210 (220)</td>
</tr>
<tr>
<td>Anke Schäferkorst⁸</td>
<td>126 (-)</td>
<td>8 (-)</td>
<td>134 (-)</td>
</tr>
<tr>
<td>Dr. Vishal Sikka</td>
<td>200 (44)</td>
<td>8 (96)</td>
<td>208 (140)</td>
</tr>
<tr>
<td>Dr. Thomas Wittig</td>
<td>200 (44)</td>
<td>10 (96)</td>
<td>210 (140)</td>
</tr>
<tr>
<td>Werner Zierer¹</td>
<td>200 (70)</td>
<td>10 (150)</td>
<td>210 (220)</td>
</tr>
</tbody>
</table>

**Total** | 5,367 (1,821) | 158 (3,819) | 5,565 (5,640)
BMW AG – SUPERVISORY BOARD.
AMENDED D&O EXCESS POLICY EFFECTIVE JANUARY 2021.

- New German Corporate Governance Code (GCGC) of 2019 no longer contains recommendation on D&O excess policy as was the case in GCGC of 2017.
- Deletion is based on the idea that excess provision does not constitute a suitable instrument to increase sense of responsibility and motivation.
- BMW AG considers GCGC recommendations to reflect best practices with regard to market standards and values.
- As D&O excess policy is no longer considered to be best practice in this sense, BMW AG has deleted such provision for Supervisory Board members in its D&O policy.
The Supervisory Board of BMW AG conducts an **efficiency review** based on annual Member survey and recurrent bilateral feedback talks between the Chairman and individual Members.

Results are discussed in Supervisory Board meeting.

High Degree of satisfaction with organisation and carrying out of meetings as well as with collaboration within the Supervisory Board and with the Board of Management.

Efficiency review ensures **continuous improvement of Supervisory Board work**.

**Implementation of 2020 suggestions:**
- Onboarding programm offer for new members, including introductions to important ongoing Supervisory Board topics, the remuneration system for the Board of Management, business activities, strategy and long-term business planning of the Company.
- Training on collaboration between the Supervisory Board and the auditor.